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October 11, 2011

Lisa Mandell, Regional Director U.S. Fish and Wildlife Service Ecological Services 5600 American Blvd. West, Suite 990 Bloomington, MN 55437-1458

Attention: Docket No. FWS-R3-ES-2011-N109

RE: Draft Environmental Impact Statement and Multi-Species Habitat Conservation Plan, Receipt of Application for Incidental Take Permit, NiSource, Inc., 76 Fed. Reg. 41288 (July 13, 2011).

Ladies and Gentlemen:

The American Gas Association ("AGA") is pleased to submit for your consideration the following comments supporting the partnership between NiSource, Inc. and the U.S. Fish and Wildlife Service to develop an incidental take permit (ITP) under the Endangered Species Act of 1973 ("ESA") for a 50-year period. 76 Fed. Reg. 41288 (July 13, 2011). AGA members believe that the unprecedented multistate habitat conservation plan ("HCP") under consideration in these proceedings sets the stage for creative, collaborative, and cost-effective approaches to ESA compliance. We hope that this process and the resulting conservation program serve as a model for industry-agency partnership at the local, state, and federal level, significantly enhancing both species recovery and infrastructure projects that promote safe and reliable delivery of clean natural gas.

Founded in 1918, AGA represents 201 local energy companies across the United States that deliver natural gas to meet almost one-fourth of domestic energy needs. There are more than 70 million residential, commercial and industrial natural gas customers in the U.S., of which 91 percent — more than 64 million customers — receive their gas from AGA members. As an advocate for local natural gas utility companies, AGA provides a broad range of programs and services for member natural gas pipelines, marketers, gatherers, international gas companies, and industry associates.<sup>1</sup>

AGA members hold an array of energy infrastructure assets and support new opportunities for cost-effective and holistic environmental management to promote energy resource development, regulatory compliance and pipeline safety. The NiSource 50-year approach is one such opportunity, facilitating larger species preservation gains throughout natural habitats that cross state lines. The 50-year approach is efficiently designed as a "living document" for adaptive management to new environmental and technological conditions, allowing for a continuous improvement and best practices-based approach to regulatory compliance.

AGA commends the FWS, the Federal Energy Regulatory Commission, the Army Corps of Engineers, the U.S. Forest Service and the National Park Service for coming together to facilitate regulatory compliance while reducing costs and furthering environmental goals under the ESA. In current economic times, this type of long term inter-agency collaboration boosts administrative efficiencies and reduces compliance costs under a variety of regulatory regimes. Collaborative approaches to permitting have been deployed in several regulatory programs to achieve more environmental protection with less administrative burden. For example, the Environmental Protection Agency's regional offices plan to reduce municipal compliance costs under the Clean Water Act by allowing the integration of wastewater and stormwater permitting requirements. The FWS is developing a Turbo-Tax style electronic application tool that will provide greater consistency in biological evaluations and facilitate the sharing of best practices and lessons learned across different regions of the country. On the state level, some natural gas pipeline companies are working on more efficient, comprehensive environmental plans for particular species.

AGA urges FWS and other regulatory bodies to recognize that collaborative environmental programs will help in-state and interstate pipeline networks meet their existing and upcoming pipeline safety obligations while providing better environmental outcomes. We anticipate that the forthcoming pipeline safety reauthorization, now pending in Congress, will lead to significantly increased pipeline safety-related integrity testing and infrastructure projects. Pipeline safety is the top priority for our members, and we support programs such as the long-term HCP in large part because it will facilitate timely permitting for a robust safety program in the coming years. We hope that the NiSource effort serves as a model for sustained collaboration between regulatory

<sup>&</sup>lt;sup>1</sup> For more information, please visit www.aga.org.

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bodies and our industry's natural gas pipeline and utility companies, to enhance public safety and to accelerate species and habitat recovery.

For these reasons, AGA lauds the diligent efforts of the FWS and NiSource to integrate ESA compliance into a cost-effective and environmentally beneficial template for the natural gas industry's regulatory compliance activities.

AGA appreciates the opportunity to comment. If you should have any questions, please contact Arushi Sharma, AGA Energy & Environment Associate, at 202-824-7120 or asharma@aga.org.

Respectfully submitted,

American Gas Association

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